



This is your healthcare

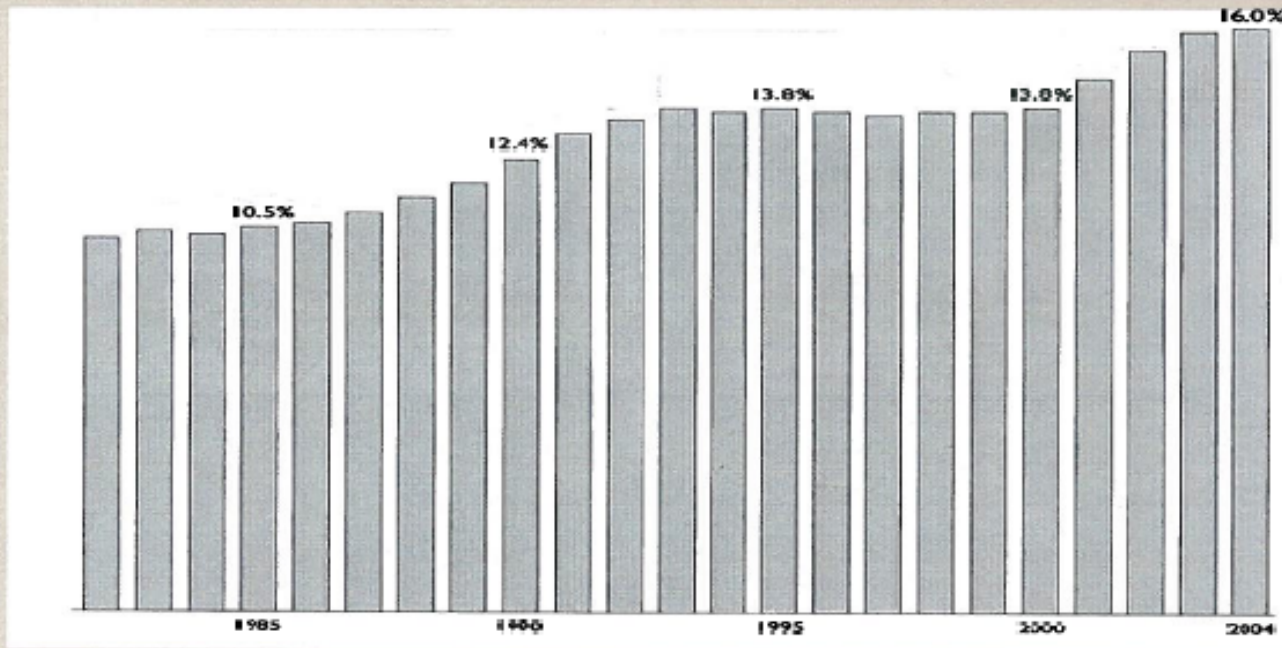
# Accountable Change . . . . . Period !!!

Martin Hickey, MD  
Chief Accountable Care Officer  
Symposium on Health Reform  
July 20, 2010



# HISTORY LESSON

## Managed Care



Capitation  
Limited Networks  
Prior Authorization

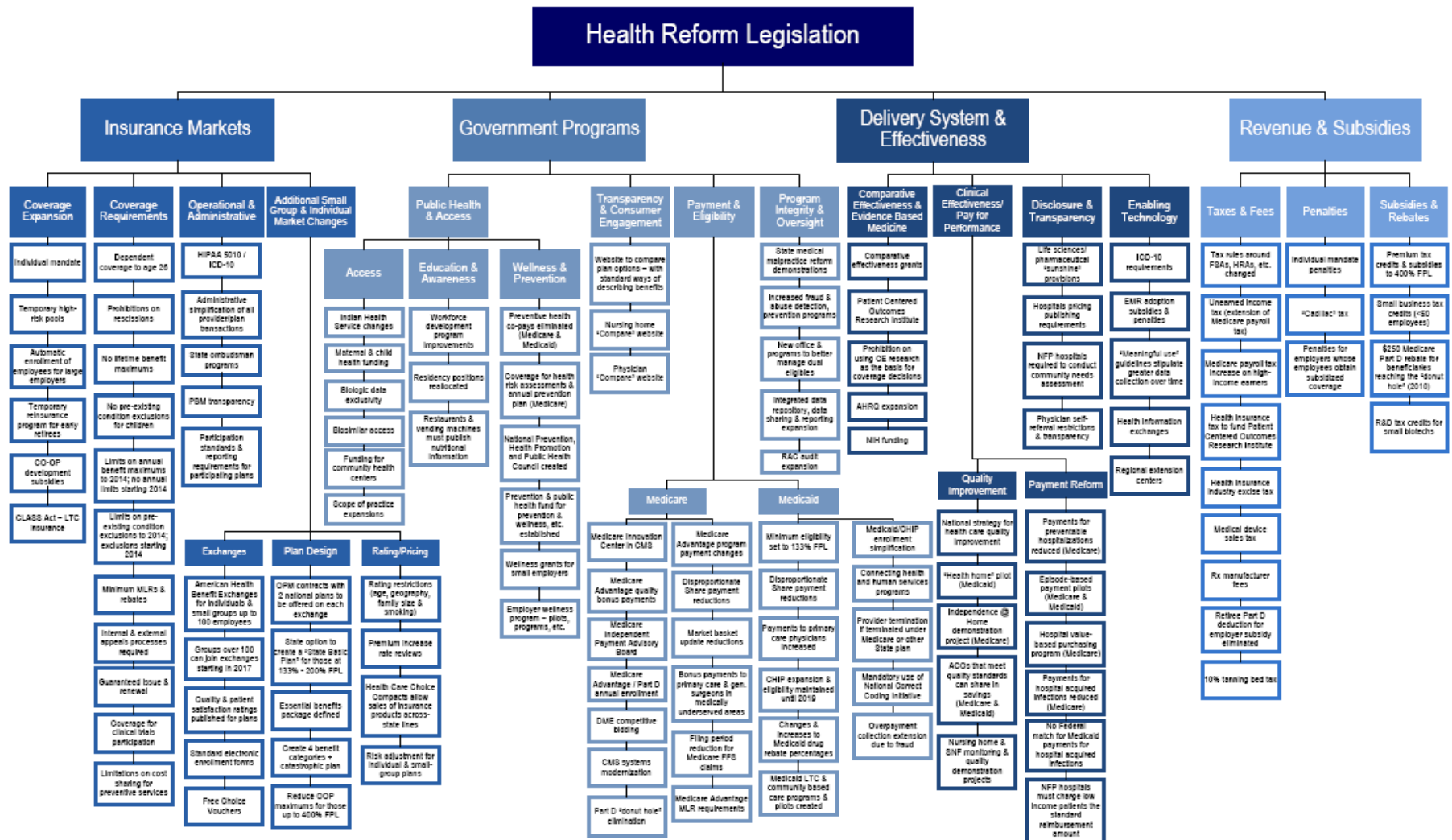
## **History Lesson – Managed Care**

- **Recession**
- **Excess Capacity – Specialists**
- **Competing Limited Networks**
- **Capitation**
- **Mass Hysteria**
- **13% GDP**

## **More History**

- **Dot.com Bubble**
- **PPO/Self Insurance**
- **Entrepreneurial FS**
- **Hospitals and Doctors**

# PPACA involves more than 100 new agencies, boards, and commissions



Note: The Health Reform Legislation map contains certain key provisions from the Patient Protection and Affordable Care Act (PPACA) passed on March 23, 2010 (Pub. Law No 111-148), the corresponding Health Care and Education Reconciliation Act (HCERA) passed on March 30, 2010 (Pub. Law No 111-152), and other reforms from the American Recovery & Reinvestment Act (ARRA) passed on February 17, 2009 (Pub. Law No 111-5). For more information, please see the accompanying reference guide.

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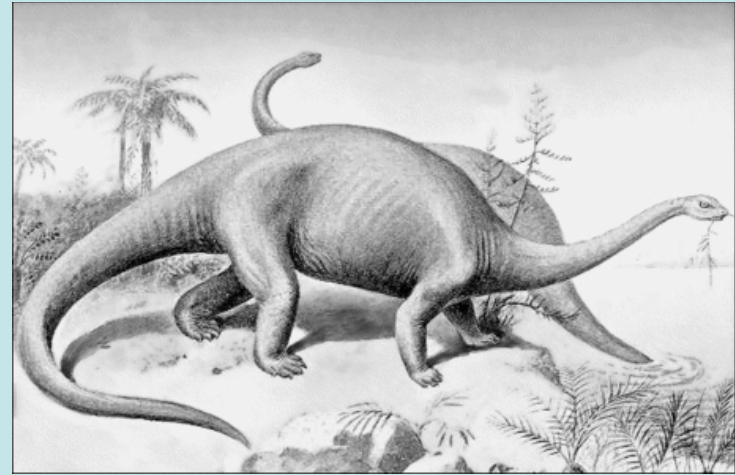
## Today

- **Gwande/Dartmouth**
- **PPACA**
- **IPAB**
- **85% MLR**
- **Innovation Center**
- **No FFS**



***T***<sub>HE METEOR IS ABOUT TO</sub> ***HIT.....***

**TODAY**



**Tomorrow**



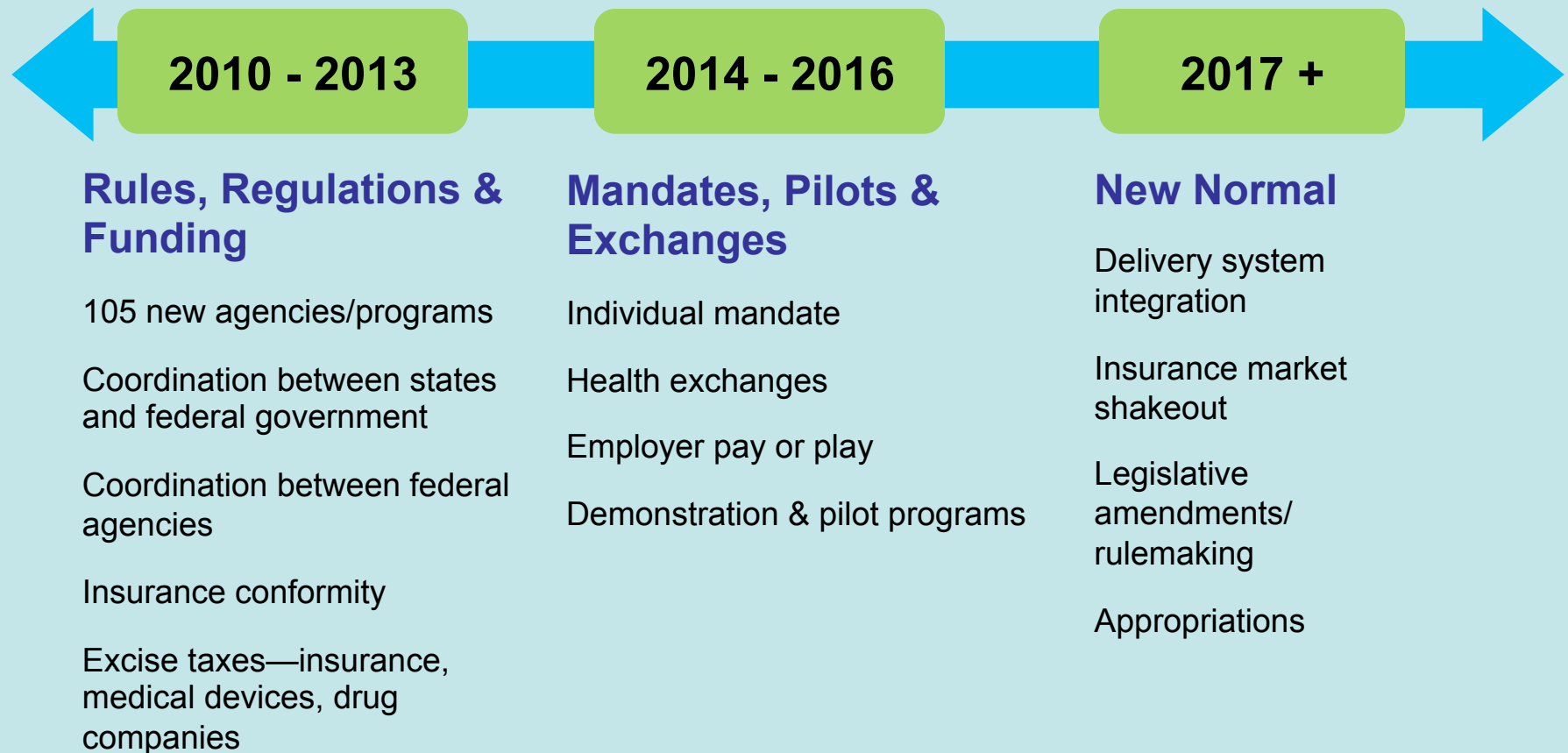
**Before**



**After**

# PPACA timeline: three major phases

- While 2014 will see many of the most dramatic changes, some changes have earlier – or later – effective dates, and additional activities will be required to support implementation.





## **Take Home Points**

- 1. We didn't do it . . . . .  
Soooo They Are !**
- 2. Are we sure it's Doctor/Hospital  
Alignment?**
- 3. Change like you've never seen it**

# Most Expensive Piece of Medical Equipment



## Reconfiguring the Synapses

# Pick your Poison



## Feds or Market



## Omaha .....

America's version of "Brigadoon"

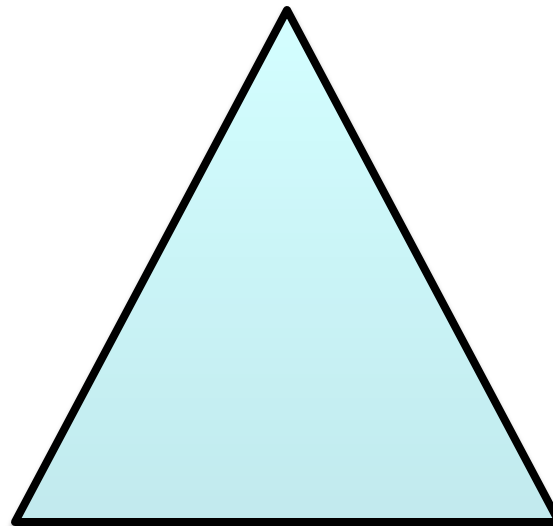
# Accountable Care Alliance

University of Nebraska  
Methodist Health Systems



# Closing the Triangle

**Patient**



**Physician**

**Care Manager**

# Where's the Savings

- Length of Stay – Hospitalists
- Hospitals – Overcapacity Reduction 2 ways
- Re-hospitalizations
- Hospitalizations
- Intensity of Service – Watchful Waiting vs. Intervention
- Low Back Pain – Virginia Mason
- Medication Compliance Reconciliation – easiest hit
- Hill Physicians



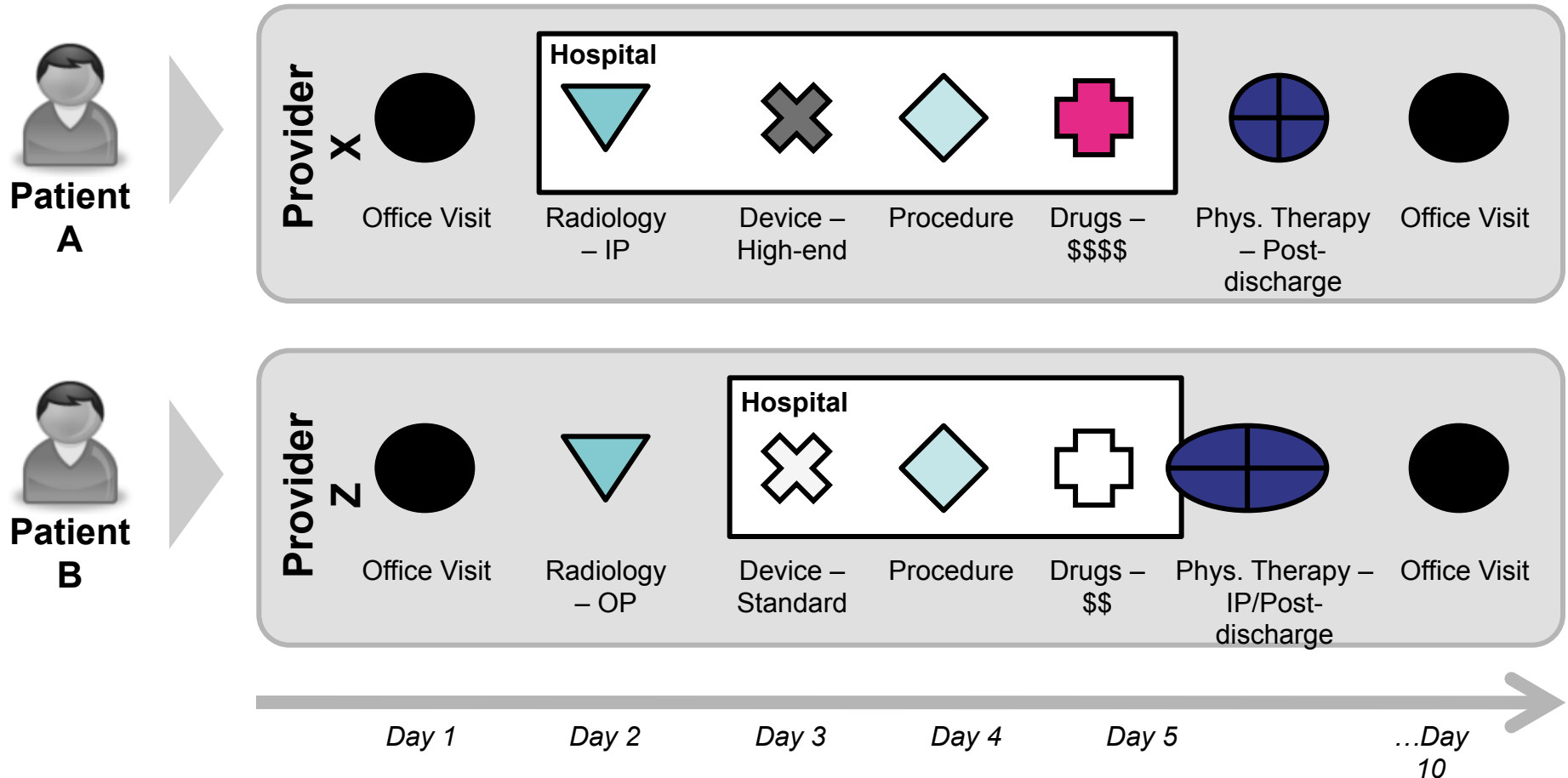


## Employer ABC

### APCMH Partnership Pilot

- Identify High-Risk/High-Cost Chronics via United/Broker
- Develop Financial Incentive via Benefit Design to Change Care to Medical Home
- Track Outcomes, Utilization and Savings Against Projected Trend – United
- If Value Proven Construct Economic Viability Plan via Case Management Fee and Eventually Shared Savings

# Use Episode Grouper to Compare Resource Use Across Different Treatment Paths at the Same or Different Quality Level



*In this example, Provider X has a longer L.O.S., orders more expensive IP radiology, uses the most expensive medical device, and waits to start patient P.T. post-discharge.*

## Payment Evolution

- FFS
- Shared Savings
- Shared Risk
- Bundled payment – single payment for episode or condition
- Partial capitation
- Capitation





At the Core . . . . .

Data Fed. . . . .

and Doctor Led ! ! ! !